



DEPARTMENT OF THE TREASURY
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND
601 THIRTEENTH STREET, NW, SUITE 200 SOUTH
WASHINGTON, DC 20005

Minnesota

Midwest Minnesota Community Development Corporation (1999 CDFI - Core)

Location: Detroit Lakes, Minnesota
Award: \$600,000
Type: Business Loan Fund
Contact: Arlen Kangas - (218) 847-3191

Incorporated in 1971, Midwest Minnesota Community Development Corporation (MMCDC) is a multi-faceted CDFI that serves seven rural counties of Minnesota. It provides commercial loans, loans to training program participants for subsistence needs, investments to businesses that create jobs in certain industry sectors, and affordable housing loans to low- and moderate-income families. The CDFI Fund's \$600,000 award (\$300,000 capital grant and \$300,000 loan) will help MMCDC to expand its single family mortgage lending in rural areas in Minnesota and North Dakota.

Northeast Ventures Corporation (1996 CDFI)

Location: Duluth, Minnesota
Award: \$1.25 million equity
Type: community development venture capital fund
Service Area: seven rural counties in northeast Minnesota
Products: venture capital. equity investments
Contact: Mr. Nick Smith - (218) 722-9915

Northeast Ventures was initiated by concerned local leaders in an attempt to counter the economic decline from the shrinking mining industry, the historic economic base of the region. Northeast Ventures has achieved measurable success since its start in 1990. It helps communities achieve social objectives by identifying and investing in businesses with significant growth potential. Its investments are targeted to three objectives: job creation and retention; economic diversification; and, directing profitability into local ownership. Its investments in 14 companies have helped to bring 161 full time jobs to the Iron Range region. Northeast Ventures is uniquely structured to serve its investment area, investing in smaller and younger enterprises than a typical venture capital fund would consider. It has attracted almost \$ 8 million in investment capital and over \$20 million in leveraged investments for its investees. The CDFI Fund investment of \$1.25 million in equity will substantially improve Northeast Venture's ability to serve their target market by providing greater flexibility in the size and term of their investments.

Northland Foundation (1998 CDFI - Core)

Location: Duluth, Minnesota
Award: \$500,000 Capital Grant
Type: Business Loan Fund
Contact: John Elden - (218) 723-4040

The Northland Foundation, a certified CDFI, is a regional foundation created in 1986 to address the economic, social and human needs in the seven counties of northeastern Minnesota. Northland has been engaged in business financing since 1988. Northland operates grant and loan programs, as well as a KIDS PLUS program, a community-based effort designed to raise awareness of problems and issues affecting children and youth. With the help of the CDFI Fund, the awardee will capitalize its Asset Building Loan Fund which provides loans to businesses that are both creditworthy and meet social impact goals such as targeted employment of low-income individuals, family-sustaining wage levels, employee benefits and individual development accounts. The awardee plans to make \$19 million in new loans over the next 15 years.

Northeast Ventures Corporation (1999 CDFI - Tech Asst)

Location: Duluth, Minnesota
Award: \$45,000
Type: Venture Capital Fund
Contact: Mr. Greg Sandbulte - (218) 722-9915

Northeast Ventures Corporation (NV) of Duluth, MN is a 10-year-old for-profit venture capital fund with a non-profit subsidiary that invests in growing businesses primarily in the Iron Range region of northeastern Minnesota. NV provides equity subordinated debt and technical assistance to its target market. Its target areas include Duluth a number of small cities and a large rural region. The technical assistance award will be used for staff training and consulting services to address the development of venture capital investment strategies.

Minnesota Investment Network Corporation (1999 CDFI - Core)

Location: Minneapolis, Minnesota
Award: \$2,000,000
Type: Venture Capital Fund
Contact: Steven B. Mercil - (612) 672-3474

Minnesota Investment Network Corporation (MIN-Corp.) is a community development venture capital fund serving distressed rural areas of Minnesota. It provides venture investments, "proof of concept" financing for early stage companies, and technical assistance to its investees. It also stimulates the availability of venture capital in rural areas of the state through the development of investment groups called Regional Angel Investment Networks (RAINs) that provide equity investments and technical assistance to emerging businesses in underserved areas. The CDFI Fund's \$2,000,000 award will help leverage investment in rural businesses in MIN-Corp.'s region, and will help the organization identify best practices for rural community development venture capital investing.

(1999 CDFI - Tech Asst)

Award: \$42,500
Type: Venture Capital Fund
Contact: Mr. Stephen B. Mercil - (612) 672-3474

Minnesota Investment Corp. (MIN-Corp.) of Minneapolis, MN is a start-up venture capital fund serving distressed rural counties and other distressed areas of the Twin Cities. MIN-Corp. makes equity investments in companies that have credible growth potential but because of their size location and stage of development are typically overlooked by traditional venture capital funds. It also organizes groups called Regional Angel Investor Networks made up of investors who are willing to share their expertise and invest their own financial resources into local companies. The technical assistance award will be used to purchase computer equipment and for training.

Northcountry Cooperative Development Fund (1997-CDFI - Core)

Location: Minneapolis, Minnesota
Award: \$185,000 equity
Type: Business Loan Fund
Contact: Ms. Margaret Lund - (612) 331-9103

Northcountry Cooperative Development Fund (NCDF) promotes economic equity and community stability by making loans to cooperatives, thus fostering enterprises owned democratically by producers, workers, residents, and consumers. Since its founding in 1979 as one of the first community development loan funds in the country, NCDF has made over 270 loans totaling almost \$4 million to cooperative enterprises of all kinds. Based in Minneapolis, NCDF lends across a 10 state region of the Upper Midwest with most borrowers being located in low-income communities. NCDF boasts a unique organizational structure, being itself a co-op of co-ops, and much of its loan capital comes directly from its cooperative members, in amounts both large and small. The CDFI Fund equity investment of \$185,000 will enable NCDF to increase its small business lending activity and continue to expand a new Initiative in affordable housing in the Minneapolis area.

(1999 CDFI - Core)

Award: \$310,000
Type: Business Loan Fund
Contact: Margaret Lund - (612) 331-9103

Northcountry Cooperative Development Fund (NCDF), founded in 1978, provides loans to cooperatives in a ten-state region of the upper Midwest. NCDF's target market is cooperatives in distressed communities that provide jobs and access to goods and services for residents of the distressed communities. To date, the organization has made over 300 loans totaling nearly \$5 million to a wide range of cooperative, including consumer, producer, housing, and worker cooperatives. The CDFI Fund's \$310,000 award (\$60,000 equity investment, \$200,000 loan, and \$50,000 technical assistance grant) will help NCDF continue to expand its lending activity.

Norwest Bank Minnesota, NA (1998 BEA)

Location: Minneapolis, Minnesota
Award: \$7,500
Contact: Patricia L. Hanson - (612) 667-8851

Norwest Bank Minnesota, NA, of Minneapolis, Minnesota, was awarded \$7,500 for making an equity investment in Anoka/Sherburne County Capital Fund, LLC, a certified CDFI, for the purpose of financing small businesses, promoting economic revitalization, and creating jobs in Anoka County, MN and other distressed areas. Norwest Bank Minnesota, NA, is a national bank with total assets of almost \$22 billion.

Wendell Phillips Community Development Credit Union (1997 CDFI - Core)

Location: Minneapolis, Minnesota
Award: \$80,000 grant
Type: Credit Union
Contact: Ms. Jill L. Hein - 612) 871-1814

Wendell Phillips Community Development Credit Union is a new CDFI that serves the predominately minority, low income neighborhood of Phillips' in Minneapolis, Minnesota. The credit union focuses on accumulating capital in the community, ensuring access to credit for residents, and promoting financial literacy among both adults and youth. The credit union has been in operation since late 1996. With the CDFI Fund grant of \$80,000, matched by funds from the Minneapolis Community Development Agency, this CDFI will increase lending to its growing membership.

Northeast Entrepreneur Fund (1997 CDFI - Core)

Location: Virginia, Minnesota
Award: \$285,000 (\$250,000 grant and \$35,000 technical assistance)
Type: Business Loan Fund
Contact: Ms. Mary J. Mathews - (218) 749-4191

Northeast Entrepreneur Fund, located in Virginia, Minnesota, is a microenterprise development organization which provides training, technical assistance and financing in the seven-county Arrowhead region of rural northeastern Minnesota. Its customers are unemployed and underemployed men and women who have ideas for starting or expanding businesses which will lead to economic self-sufficiency for themselves and their families. A CDFI Fund grant of \$250,000 and a technical assistance award of \$35,000 will allow the Entrepreneur Fund, which has operated its microenterprise fund since 1989, to make small business loans.

(1999 CDFI-Core)

Award: \$368,000
Type: Microenterprise Fund
Contact: Mary J. Mathews - (218) 749-4191

Northeast Entrepreneur Fund is a microenterprise and small business lender that has served predominantly rural northeastern Minnesota for 10 years. It is a recognized leader in its field, particularly for its success in measuring the impact its activities have had in affecting the success of businesses. The CDFI Fund's \$300,000 capital grant will help the organization expand its lending and provide more flexible loan products to both microenterprises and small businesses in its seven county service area. The Fund's \$68,000 technical assistance grant will help NEF improve its ability to track its impact on its target market.

Northeast Entrepreneur Fund, Inc. (2nd Round – Presidential Awards for Excellence in Microenterprise Development - Excellence in Program Delivery: Developing Entrepreneurial Skills)

Location: Virginia, Minnesota
Program Type: Promoting economic self-sufficiency through a range of technical assistance and microloans
Service Areas: Seven counties in northeastern Minnesota
Target Market: Unemployed, under-employed and low-income individuals and families
Contact: Mary Mathews, President – (218) 749-4191

Providing microentrepreneurs with the building blocks for success is the cornerstone of the Northeast Entrepreneur Fund, Inc. (NEF). NEF is recognized for its strong commitment to developing and implementing impact measures for assisting the performance of training-based microenterprise programs, as well as providing an effective and flexible model for delivering skill development services to rural entrepreneurs. Serving a 20,000 square mile area with a population base of nearly 310,000, NEF's services have touched approximately two percent (2%) of the entire regional workforce. Since its creation, over 2,500 customers have received training or technical assistance.